(c) Taking into account the need to conserve high grade ore for domestic use, the aim is to maximise export earnings.

Indo-China Border Trade

1835. SHRI G. Y. KRISHNAN : Will the Minister of COMMERCE be pleased to state :

(a) whether any reports have been received or assessment made of the resumption of Indo-China border trade through the Shipkila pass in Kinnaur district of Himachal Pradesh;

(b) if so, the details thereof;

(c) how far the opening of this traditional route of Sino-Indian trade is likely to boost the trade and commercial activities in the remote areas of Himachal Pradesh; and

(d) which are the items which will be imported from China and exported to that country as a result of the resumption of Indo-China border trade after a gap of 32 years and which of the items falling under the convention on international trade in endangered species are likely to be traded between the two countries and how this will be regulated by Himachal Pradesh Government ?

THE MINISTER OF COMMERCE (SHRI PRANAB MUKHERJEE): (a) and (b). A report has been received from Deputy Commissioner, Kinnaur District dt. 18th July, 1994, informing about the resumption of Indo-China Border Trade through Shipkila Pass on 16-7-94. The report informs that 21 traders carried their merchandise items on 27 loaded mules across the Border from the Indian side. No Trader crossed into India from the Chinese side. Local arrangements at the Indian Trade Mart are also in place.

(c) Opening of Border Trade is expected to give a boost to trading activities on either side of the Border at Shipkila.

(d) Import and export through Shipkila Pass is as per the existing provisions of the Exim Policy. In addition provisions of Public Notices dated 17th July, 1994 (No. 33) and 20th July, 1994 (Notice No. 5), have been issued listing out the items which are allowed to be imported and exported freely on Border Trade with China. The list of items for Import are: Wool, Goat Cashmere (Pasham), Goat Skins, Sheep Skins, Yak Tails, Goats, Sheep, Yak Hair, Horses; Salt; Borax, Szaibelyite, China Olay Butter and Silk.

Import of Goat Skins, Sheep Skins and Yak Tails, Goats, Sheep, Yak Hair and Horses will be subject to the provisions of convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES), and any other laws for the time being in force. The list of items for export are Agricultural Implements, blankets, copper products, clothes, textiles, cycles; coffee. tea, barley, rice flour, dry fruit; Dry and Fresh Vegetables, vegetable oil, gur and misri, tobacco; snuff, cigrattes, canned food; agro-chemical, local herbs, dyes. spices, watch, shoes, kerosene oil, Stationery, Utensils, Wheat (Ua and Black).

Trade with Vladivastak (Russia)

1836. SHRI V. NARAYANASAMY : Will the Minister of COMMERCE be pleased to state:

(a) whether Government's attention has been drawn to the news-item published in the Times of India dated 27th May, 1994 that a 12-Member high powered trade delegation from Vladivastak (Russia) had shown keen interest in the expansion of trade and bilateral relations with India during their recent visit to India; and

(b) if so, the reaction of Government and steps taken in this regard ?

THE MINISTER OF COMMERCE (SHRI PRANAB MUKHERJEE): (a) Yes, Sir. A 12-member trade delegation headed by Mr. Gennadiy G. Tokulenko, Deputy Governor of Primorya Region visited India from 24—29 May, 1994, on

the invitation of the India-CIS Chamber of Commerce and Industry.

(b) The Government has been encouraging exchange of trade delegations, *inter alia* with the Russian Far East, in order to stimulate direct contacts between business entities in both countries. The visit of the delegation from Primorya was the first such visit from the region and served to open up a new area for trade for Indian businessmen. The Government has been encouraging visits by Indian businessmen to the Russian Far East to strengthen trade relations with the region.

Import of milk powder

1837- SHRI AJIT P. K. JOGI :
SHRI RAM GOPAL YADAV :

Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that milk powder is imported to overcome the shortage of milk in the country;

(b) if so, the names of the countries from where the milk powder is imported; and

(c) the quantity procured during the last two years?

THE MINISTER OF COMMERCE (SHRI PRANAB MUKHERJEE): (a) Yes, Sir.

(b) The milk powder is imported from countries like German Federal Republic, Ireland, Netherland, Denmark, Switzerland; Canada; France; Singapore; Belgium, UK; Malaysia; Australia; Newzealand and USA.

(c) The quantity of milk powder imported during the years 1992-93 and 1993-94 is as under:—

Year	Quantity Metric Tonne
1992-93	11994
1993-94	3000

Price rise of exportable commodities due to inflation

1838. SHRI SARADA MOHANTY:
SHRI CHIMANBHAI MEHTA:

Will the Minister of COMMERCE be pleaed to state :

(a) whether it is a fact that the prices of exportable commodities have increased due to inflation.

(b) whether it is also a fact that high rate of excise duty is incompetative for exportable commodities;

(c) whether Government propose to introduce International Price Reimbursement Scheme; and

(d) if so, what are the reasons for decline in exports ?

THE MINISTER OF COMMERCE (SHRI PRANAB MUKHERJEE): (a) Inflation by definition, is an increase in the general price level, including the price level, of commodities meant for exports. However, its effect varies from commodity to commodity.

(b) Excise duty should not affect the price of goods to be exported as goods can be exported under bond without payment of excise duty. Goods can be exported on payment of duty and such duty can be claimed back as rebate. Besides, excise rules also provide for refunding excise duty paid on inputs used in the manufacture of export products. Under the Modvat Scheme also, credit of excise duty paid on the inputs is allowed on export of the finished products.

(c) International Price Reimbursement Scheme (IPRS) which envisaged providing Iron and Steel at International prices to the exporters of engineering goods, has been withdrawn with effect from 1-4-94. However, facility of duty free import of inputs is available under the Advance Licensing Scheme to the engineering goods exporters.